Under the Transport Subsidy Scheme and the Capital Investment Subsidy Scheme, a sum of Rs. 311 lakhs and Rs. 126 lakhs respectively has been released in the Tenth Five Year Plan for disbursai against pending claims, the last release being in January, 2007. The processing of claims and release of funds is a continuous process.

Prefrential trade agreement between India and Israel

1056. SHRIMATI N.P. DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the study group of India and Israel recommended for a Preferential Trade Agreement between India and Israel;

(b) if so, whether negotiations on this was held with the recently visited Deputy Prime Minister of Israel;

(c) if so, the areas of discussion;

(d) whether the issue of issuing long-term Visas to diamond traders of India has been raised; and

(e) if so, Israel's response thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Yes, Sir.

(b) and (c) Bilateral talks were held between Hon'ble Commerce and Industry Minister and the Hon'ble Deputy Prime Minister and Minister of Industry, Trade and Labour of the State of Israel, during the latter's visit to India from December 2-8, 2006. The two Ministers reviewed the progress in implementation of the recommendations of the Joint Study Group set up by the two countries in December, 2004. They agreed to deepen the economic engagement between the two countries, and welcomed the establishment of an Indian bank in Israel and the continuing growth in the overall trade.

(d) Yes, Sir.

(e) The Government of Israel has since informed that one-year business visa (category B-l) would be issued to the diamond business persons of Indian origin.

Shortage of cement

1057. DR. V. MAITREYAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that there is a huge deficit of cement requirement in the country;

(b) if so, the details thereof;

(c) what is the total production and consumption of cement both in private and public sectors in the country;

(d) what is the total demand of cement in the country, State-wise;

(e) what is the total shortage *vis-a-vis* production; and

(f) what steps are being taken to prevent sale of cement in black markets?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) The production and dispatches of cement have been increasing every year. As per the Cement Manufacturers' Association, the total production of cement was 127.57 million tonnes, 141.81 million tonnes and 155.66 million tonnes in 2004-05, 2005-06 and 2006-07 respectively. However, a spurt in the prices of cement is indicative of a mismatch between demand and supply.

(c) Details regarding cement production and off-take are as under:-

(Mn.t.)

	Cement Production			Off-take
	Public Sector	Private Sector	Total	
2006-07	2.63	153.03	155.66	149.33

(d) and (e) State-wise information about demand for cement is not maintained and accordingly information regarding shortage is not quantifiable.

Import duty on cement has been reduced from 12.5% to Nil. Countervailing duty and special additional customs duty on cement have also been removed. Further, MMTC Ltd., a Public Sector Enterprise, has been given a special dispensation to import cement under the provisions of Cement (Quality Control) Order, 2003 to enable early availability of significant quantities of imported cement in the market.

FDI in Agriculture

1058. SHRI SYED AZEEZ PASHA:
SHRI K.E. ISMAIL:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether Government are considering a proposal to allow Foreign Direct Investment (FDI) in agriculture sector; and

(b) if so, the details, thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) As per the extant policy FDI up to 100% is permitted under the automatic route in the under-mentioned activities *viz.,* Floriculture, Horticulture, Development of Seeds, Animal Husbandry, Pisciculture, Aqua-culture and Cultivation of Vegetables & Mushrooms, under controlled conditions and services related to agro and allied sectors. FDI up to 100% with prior Government approval is permitted in Tea plantation subject to the conditions of divestment of 26% equity of the company in favour of an Indian partner/Indian public within a period of 5 years; and prior approval of the State Government concerned in case of any future land use